



March 8, 2011

Co-Chair Paul R. Doyle
Co-Chair Joseph J. Taborsak
Senator Kevin D. Witkos
Representative Rosa C. Rebimbas

General Law Committee:

We are submitting testimony on S.B.1089, AN ACT PROHIBITING PRICE GOUGING DURING SEVERE WEATHER EVENTS AND MAKING MINOR AND TECHNICAL REVISIONS TO THE UNIFORM ADMINISTRATIVE PROCEDURE ACT AND DEPARTMENT OF CONSUMER PROTECTION STATUTES.

The Independent Connecticut Petroleum Association (ICPA) represents 564 petroleum marketers and their associated business in Connecticut. ICPA members employ over 13,000 people in our state and provide over 1,000 convenience stores with gasoline.

GASDA represent 450 members and they are responsible for selling over 60% of all gasoline sold in Connecticut. Over the last 5-years, GASDA members have purchased approximately 300 locations from the Major Oil Companies. This has kept jobs here in Connecticut rather than selling locations which end up for other than service station use and prevent the ranks of the unemployed from growing further at a time when the state can least afford more unemployment claims!

Over the last five years our organizations worked with the Office of the Attorney General (AG) and this committee on "gouging legislation" that protects consumers and provides guidance to local family owned gasoline retailers. Last year, we were successful in passing into law (Public Act 10-176) language that allows the AG to vigorously prosecute gougers.

Prior to the changes we made last year, gasoline retailers were in the dark as to if and when they are "gouging". Connecticut law provided no guidance to the gasoline industry or to law enforcement officials as to when "gouging" occurs. Fortunately that is no longer the case.

We are concerned that S.B. 1089 may conflict with the current gouging law and undo all of the good work that was accomplished last year. Providing an exemption for middle distillate, residual fuel oil, motor gasoline, propane, aviation gasoline and aviation turbine fuel that are already captured in Public Act 10-176 will allow the AG to clearly delineate what statute applies during price disruptions that emanate from weather related events.

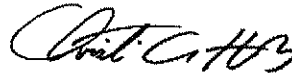
Gouging Connecticut motorists is unacceptable and until last year our statute provided no protection for them! Phrases like "gross disparity", "abnormal market disruption" and "unconscionably excessive" were not defined in the law, but now contain definition. Motorists are not well served if the language in S.B. 1089 conflicts with Public Act 10-176.

We ask that the General Law Committee amend S.B. 1089, to exempt the products found in Public Act 10-176 that are already captured by the existing gouging statutes.

Respectfully,

Michael J. Fox

Michael J. Fox
Executive Director, GASDA



Christian A. Herb
Vice President, ICPA